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Programme budget for the biennium 2002-2003

First performance report on the programme budget for the biennium 2002-2003

Report of the Secretary-General*

Summary

The present report identifies adjustments required to the level of appropriations as a result of variations in costing parameters assumed at the time of the initial appropriation, unforeseen and extraordinary items and additional mandates that are best dealt with in the context of the present report under the arrangements endorsed by the General Assembly at its thirty-second session.

The revised requirements under the expenditure sections amount to $2,914.4 million, an increase of $215.1 million vis-à-vis the appropriation level approved in June 2002 (or $289.2 million more than the initial appropriation in December 2001). The revised estimate under the income sections amount to $417 million, an increase of $7.0 million. Consequently, net requirements amount to $2,497.4 million, an increase of $208.1 million.

* The present report is being issued as scheduled to best reflect data availability.

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I. Introduction

1. The primary purpose of the first performance report, which is submitted in the first year of the biennium, is to identify adjustments required because of variations in the rates of inflation and exchange and in standards assumed in the calculation of the initial appropriations. This is in conformity with the recommendation of the Advisory Committee on Administrative and Budgetary Questions,[1] endorsed by the General Assembly at its thirty-second session.

2. The performance report also takes into account the additional mandates that the General Assembly and the Security Council have approved after the appropriation of the programme budget, unforeseen and extraordinary items that could not be deferred to the second year of the biennium and decisions of policy-making organs that are best dealt with in the context of the present report.

3. Increased net requirements of $208.1 million are presented as follows:

Resolutions 56/254 A and B, 56/274 B, 56/286	*Appropriation*	*Revised estimates*	*Increase/decrease*	
	(Thousands of United States dollars)			*(Percentage)*
Expenditure	2 699 267.8	2 914 407.8	215 140.0	8.0
Income	410 036.1	417 027.8	6 991.7	1.7
Net requirements	2 289 231.7	2 497 380.0	208 148.3	9.1

4. An explanation of the variations in the costing parameters assumed in the calculation of the initial appropriations is provided in paragraphs 26 to 42 below. In addition, the schedules and annexes listed below provide the costing parameters used in the initial appropriation, the proposed revisions for the biennium 2002-2003 and their effect on budget sections, duty stations and major objects of expenditure:

(a) Schedule 1 contains the rates of exchange and inflation used in the initial appropriations for the biennium 2002-2003 and the rates now proposed in the present report;

(b) Schedule 2 contains information on the post adjustment multipliers used to calculate salaries for staff in the Professional and higher categories in the initial appropriation, the actual post adjustment multipliers for 2002, as promulgated by the International Civil Service Commission (ICSC), and the revised rates now proposed for 2003;

(c) Schedule 3 contains the actual United Nations operational rates of exchange in effect for the first 11 months of 2002;

(d) Schedule 4 contains information on cost-of-living adjustments for staff in the General Service and related categories assumed in calculating the initial appropriation for the biennium 2002-2003, the adjustments actually effected in 2002 and revised assumptions for 2003;

(e) Annex I.A contains estimated additional requirements by section, subsection and main determining factor;

[1] See *Official Records of the General Assembly, Thirty-second Session, Supplement No. 8* (A/32/8).

(f) Annex I.B contains estimated additional requirements by duty station and main determining factor;

(g) Annex II contains the distribution of estimated increases or decreases in requirements by section and main object of expenditure;

(h) Annex III contains total estimated additional requirements for jointly financed activities and inter-organizational measures by main determining factor;

(i) Annex IV contains an explanation of changes for income section 3, Services to the public;

(j) Annex V contains information on the use of Department of General Assembly and Conference Management resources in the biennium 2002-2003;

(k) Annex VI contains the status of work in implementation of measures to strengthen the security and safety of United Nations premises;

(l) Annex VII contains the status of expenditure incurred under the regular budget for the biennium 2002-2003 as at 30 September 2002.

II. Expenditure sections

5. The changes required as a result of the factors mentioned above would yield an increase of $215,140,000 for a total of $2,914,407,800. Details are as follows:

	(Thousands of United States dollars)	
Initial appropriation (General Assembly resolution 56/254 A)	2 625 178.7	24 December 2001
Additional appropriation (General Assembly resolution 56/274 B)	14 728.9	27 June 2002
Additional appropriation (General Assembly resolution 56/286)	59 360.2	27 June 2002
Programme budget appropriation	2 699 267.8	
(a) Unforeseen and extraordinary expenses	12 872.3	(In respect of peace and security, the International Court of Justice and inter-organizational security measures in accordance with resolution 56/256)
(b) Decisions of policy-making organs, including special political missions	88 969.9	
(c) Variations in budgetary assumptions		
Changes in exchange rates	33 764.2	(Based on United Nations operational rates of exchange)
Changes in inflation assumptions	28 028.7	(Based on consumer price indices, post adjustment multipliers promulgated and actual versus budgeted cost-of-living adjustments)

	(Thousands of United States dollars)	
Adjustments to standard salary costs		(Based on analysis of actual payroll data, common staff costs, and staff assessment provisions consequent upon consolidation of post adjustment)
Vacancies	20 411.6	(Based on realized vacancy rates)
ICSC recommendation on net remuneration	26 676.8	
Revised total	**2 914 407.8**	

6. In the context of the current session of the General Assembly, the Secretary-General has also issued, or is about to issue, revised estimates and statements of programme budget implications in response to draft resolutions considered by the Main Committees. These amounts are being handled outside the first performance report but will impact the level of the revised appropriation. These are summarized as follows:

(a)	Charges to be made against the contingency fund	$1.5 million
(b)	Programme budget implications relating to three special political missions mandated by the General Assembly	$13.1 million
	Approximate total	**$14.6 million**

Should these predicted changes be made, the most likely level of requirements for financing a revised appropriation for the biennium 2002-2003 would be approximately $2.929 million and would include the above items, plus the performance report requirements.

A. Unforeseen and extraordinary expenses (increase: $12,872,300)

7. Under the terms of General Assembly resolution 56/256 of 24 December 2001, the Secretary-General is authorized, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, to enter into commitments to meet unforeseen and extraordinary expenses, provided that the concurrence of the Advisory Committee shall not be necessary for such commitments, not exceeding a total of $8 million in any one year, as the Secretary-General certifies relate to the maintenance of peace and security, such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by a number of situations in the Court as prescribed in paragraph 1 (b) of resolution 56/256 and such commitments, not exceeding a total of $500,000 as the Secretary-General certifies are required for inter-organizational security measures.

8. Under the provisions of the resolution, commitments in the amount of $12,872,300 have been entered into, as follows:

(a) Certified by the Secretary-General as relating to the maintenance of peace and security ($4,448,300);

(b) Commitments concurred by the Advisory Committee ($8,086,400);

(c) Certified by the President of the International Court of Justice as relating to unforeseen expenses in respect of the Court ($329,300);

(d) Commitments for inter-organizational security measures ($8,300).

9. These expenses relate to budget sections 3, 7, and 30, as follows:

(a) Certified by the Secretary-General as relating to the maintenance of peace and security ($4,448,300)

Section 3. Political affairs ($4,448,300)

	United States dollars
a. Independent Commission on the question of political prisoners and prison conditions in Burundi	54 400
b. Technical assessment mission to Angola	334 900
c. Border controversy between Guyana and Venezuela	23 300
d. Assessment mission to the Occupied Territories	86 800
e. United Nations Office in Angola (S/2002/412 and S/2002/769)	2 160 300
f. Panel of Experts on Liberia (Security Council resolutions 1395 (2002) and 1408 (2002))	380 700
g. Fact-finding mission to the Jenin refugee camp (Security Council resolution 1405 (2002))	217 100
h. Team of experts in preparation for the establishment of a Panel of Experts regarding Somalia (Security Council resolution 1407 (2002))	57 800
i. Special Envoy of the Secretary-General for the Inter-Congolese Dialogue (S/2002/619 and S/PRST/2002/19)	426 100
j. Panel of Experts on Somalia (Security Council resolution 1425 (2002))	706 900
Total	**4 448 300**

(b) Commitments concurred by the Advisory Committee on Administrative and Budgetary Questions ($8,086,400)

Section 3. Political affairs ($8,022,400)

	United States dollars
United Nations Mission in Angola	8 022 400

Section 7. International Court of Justice ($64,000)

	United States dollars
Designation of ad hoc judges for the case concerning the Land and Maritime Boundary between Cameroon and Nigeria (Cameroon v. Nigeria: Equatorial Guinea intervening)	64 000

This latter requirement was also certified by the President of the International Court of Justice as relating to unforeseen expenses of the Court. However, it could not be classified under that heading, as the authority to charge such amounts under the

signature of the President consistent with the provisions of paragraph 1 (b) of General Assembly resolution 56/256 would have been exhausted. Hence, the requirement has been submitted to the Advisory Committee to act under its own authority under the same resolution;

(c) Certified by the President of the International Court of Justice as relating to unforeseen expenses relating to the Court

Section 7. International Court of Justice ($329,300)

Pursuant to the provisions of paragraph 1 (b) (i) and (iv) of General Assembly resolution 56/256 on unforeseen and extraordinary expenses for the biennium 2002-2003, and in accordance with the Statute of the International Court of Justice and General Assembly resolution 48/252 of 26 May 1994, additional requirements arose in 2002 with respect to the designation of ad hoc judges for the following cases:

	United States dollars
a. Legality of use of force (Yugoslavia v. Italy)	1 100
b. Application of the Convention on the Punishment of the Crime of Genocide (Bosnia and Herzegovina v. Yugoslavia)	6 200
c. Land and Maritime Boundary between Cameroon and Nigeria (Cameroon v. Nigeria: Equatorial Guinea intervening)	100 600
d. Legality of use of force (Yugoslavia v. United Kingdom)	1 900
e. Legality of use of force (Yugoslavia v. Belgium)	4 700
f. Legality of use of force (Yugoslavia v. Canada)	6 600
g. Application of the Convention on the Punishment of the Crime of Genocide (Croatia v. Yugoslavia)	17 500
h. Legality of use of force (Yugoslavia v. Germany)	2 500
i. Legality of use of force (Yugoslavia v. Netherlands)	3 000
j. Legality of use of force (Yugoslavia v. Portugal)	1 400
k. Arrest Warrant of 11 April 2000 (Democratic Republic of the Congo v. Belgium)	64 700
l. Armed activities on the territory of the Congo (New Application: 2002) (Democratic Republic of the Congo v. Rwanda)	21 100
m. Legality of use of force (Yugoslavia v. France)	800
n. Sovereignty over Pulau Ligitan and Pulau Sipadan (Indonesia/Malaysia)	95 000
o. Armed activities on the territory of the Congo (New Application: 2002) (Democratic Republic of the Congo v. Rwanda)	2 200
Total	**329 300**

(d) Commitments for inter-organizational security measures

Section 30. Special expenses ($8,300)

In accordance with section IV of General Assembly resolution 36/235 of 18 December 1981 and resolution 56/256, commitments were entered into for inter-organizational measures, consisting of the United Nations share for the cost of

chartering aircraft to evacuate staff from the Central African Republic in October 2002.

B. Decisions of policy-making organs (increase: $88,969,900)

10. This component reflects: direct requirements for special political missions established by Security Council mandates; conference-servicing support requirements for the Counter-Terrorism Committee; and the net effect of General Assembly resolutions 56/254 D, 56/266 and 56/272, all of 27 March 2002, concerning the follow-up to the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance and adjustment to the level of honorariums, respectively. The amounts involved are as follows:

(Thousands of United States dollars)

(a)	Special political missions	77 211.2
(b)	Support of the Counter-Terrorism Committee	11 143.2
(c)	General Assembly resolutions 56/254 D, 56/266 and 56/272	615.5
	Total	**88 969.9**

(a) Additional provision for special political missions ($77,211,200)

Section 3
Political affairs

Section 32
Staff assessment

11. A report has been submitted separately on estimates in respect of matters of which the Security Council is seized (A/C.5/57/23), in the context of actions taken, or expected to be taken, by the Security Council regarding good offices, preventive diplomacy and post-conflict peace-building missions. The report contains the proposed resource requirements of 19 political missions pertaining to matters of which the Security Council is seized for the period up to December 2003, the mandates of which extend, or are expected to be extended, into 2003. Should the General Assembly approve the additional amount being sought in respect of these estimates, the appropriation under section 3, Political affairs would be increased by $69,028,100. Increased requirements for staff assessment under section 32, which amount to $8,183,100 would be matched by an equivalent increase in the amount of income under income section 1, Income from staff assessment. The financial requirements arising from the extension of existing special political missions are presented here to permit the Assembly to consider revisions to the appropriation on a comprehensive basis.

(b) Conference and support services extended to the Counter-Terrorism Committee in implementation of Security Council resolution 1373 (2001) ($11,143,200)

Section 2
General Assembly affairs and conference services

Section 27D
Office of Central Support Services

12. By its resolution 56/288 of 27 June 2002, the General Assembly requested the Secretary-General to report to the Assembly at the main part of its fifty-seventh session on the expenditures as well as programmatic impacts incurred in supporting the Counter-Terrorism Committee. It may be recalled that an initial request for $7.5 million had been estimated by the Secretariat as the requirement for servicing the Counter-Terrorism Committee for the calendar year 2002. The General Assembly decided to consider requirements necessary for the conference and support servicing of the Counter-Terrorism Committee in the context of the first performance report at its fifty-seventh session.

13. Following the decisions taken by the General Assembly, the Secretariat has temporarily redeployed second-year resources to the first year of the biennium to ensure the provision of uninterrupted conference and support services to the programme of activities of the Counter-Terrorism Committee, so as to minimize any adverse effect on other conference services programmed for the year 2002.

14. The actual workload of the Counter-Terrorism Committee for the period from 1 January to 30 September 2002 is detailed in the table below:

	Number of meetings held	*Number of reports and other documents of the Counter-Terrorism Committee translated*	*Number of translated pages*	*Number of meetings with summary records*
January 2002	7	34	703	4
February 2002	16	29	623	3
March 2002	14	35	538	2
April 2002	12	62	634	3
May 2002	8	52	228	4
June 2002	7	35	177	2
July 2002	7	24	250	3
August 2002	4	64	484	-
September 2002	4	56	472	2
Total	**79**	**392**	**4 109**	**23**

15. Based on the Committee's actual workload for the first nine months of 2002 and the projected workload for the remaining three months of 2002, and also taking into account the utilization parameters detailed in document A/C.5/56/42, it is estimated that the total revised conference-servicing requirements of the Counter-Terrorism Committee for 2002 would amount to $5,188,200. The related support services requirements would amount to $292,200.

16. With regard to the Committee's requirements for conference and support services in 2003, it should be noted that, at the time of its review of the implementation of its resolution 1373 (2001), the Security Council expressed its intention to review again the structure and activities of the Counter-Terrorism Committee no later than 4 April 2003 (see S/PRST/2002/26).

17. Based on the average monthly workload of the Committee for the period from January to September 2002, it has been estimated that the additional requirements for conference and support services for the Committee for the period from January to March 2003 would amount to $1,343,700 and $72,000, respectively. It is understood that in all likelihood the Committee will continue to meet throughout the rest of 2003. On that understanding and on the assumption that the activities of the Committee would continue for the period from April to December 2003 at a level comparable to that estimated for the first three months of 2003, the additional resources for the period from April to December 2003 would amount to $4,247,100, including $4,031,100 for the Department of General Assembly and Conference Management, under section 2, and $216,000 for the Office of Central Support Services, under section 27D, of the programme budget for the biennium 2002-2003.

18. The total resource requirements for the Counter-Terrorism Committee estimated for the biennium 2002-2003 are summarized as follows (in United States dollars):

	Year 2002	*January-March 2003*	*April-December 2003*	*Total 2002-2003*
Conference-servicing requirements (section 2)	5 188 200	1 343 700	4 031 100	10 563 000
Support services requirements (section 27D)	292 200	72 000	216 000	580 200
Total	**5 480 400**	**1 415 700**	**4 247 100**	**11 143 200**

19. As regards the Office of Central Support Services, the current level of its budget cannot accommodate the costs of the support services for the Committee. On that basis, the meetings and documentation requirements, as well as the support services requirements, of the Counter-Terrorism Committee cannot be met from the existing appropriation under sections 2 and 27D. Further background information concerning the use of resources of the Department of General Assembly and Conference Management is provided in annex V. An additional appropriation would be required, in the amount of $11,143,200, to support the meeting requirements of the Committee until 31 December 2003, as indicated below:

Section 2	General Assembly affairs and conference services	$10 563 000
Section 27D	Office of Central Support Services	$580 200
Total		**$11 143 200**

(c) Net impact of General Assembly resolutions 56/254 D, 56/266 and 56/272 ($615,500)

(i) Comprehensive implementation of follow-up to the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance ($670,700)

Section 22
Human rights

Section 32
Staff assessment

20. At its meeting on 15 March 2002, the Fifth Committee decided to inform the General Assembly that the implementation of resolution 56/266 would give rise to additional expenditures under section 22, Human rights and section 32, Staff assessment. The Committee recommended that the General Assembly authorize the Secretary-General to enter into commitments not exceeding $566,800 under section 22 and $103,900 under section 32, on the understanding that the Secretary-General would report to the General Assembly at its fifty-seventh session on the actual requirements, and that those requirements would be dealt with by the Assembly in accordance with established procedure. In the light of experience gained to date in implementing the resolution, it is confirmed that those amounts would be fully utilized during the biennium 2002-2003. Accordingly, the related appropriations are requested under section 22, Human rights and section 32, Staff assessment.

(ii) Comprehensive study on the question of honorariums payable to members of organs and subsidiary organs of the United Nations (decrease: $55,200)

Section 8
Legal affairs

Section 9
Economic and social affairs

Section 15
International drug control

Section 22
Human rights

Section 27D
Office of Central Support Services

21. In its resolution 56/272, the General Assembly decided, with effect from 6 April 2002, to set at a level of one United States dollar per year all honorariums payable on an exceptional basis to the members of the International Law Commission, the International Narcotics Control Board, the United Nations Administrative Tribunal, the Human Rights Committee, the Committee on the Elimination of Discrimination against Women and the Committee on the Rights of the Child. The Assembly also requested the Secretary-General to report on the appropriation adjustments required as a consequence of resolution 56/272 and the

related transfers in respect of the provision of Internet services as set out in paragraph 5 of resolution 56/254 D, in the context of the first performance report on the programme budget for the biennium 2002-2003.

22. In resolution 56/254 D, the General Assembly requested the Secretary-General to restore immediately Internet services, including web hosting, email and support services, to permanent missions, utilizing the resources released as a result of resolution 56/272, and to reflect the necessary transfers among sections of the budget in the context of the first performance report on the programme budget for the biennium 2002-2003.

23. As a result of the adjustment to the level of honorariums payable as set out in resolution 56/272, reduced requirements totalling $527,200 are reflected; under section 8, Legal affairs ($285,000), section 9, Economic and social affairs ($87,500), section 15, International drug control ($42,900) and section 22, Human rights ($111,800). The utilization of resources released as a result of resolution 56/272 to restore Internet services, as requested by the General Assembly in resolution 56/254 D, has resulted in increased requirements of $472,000 under section 27D, Office of Central Support Services. The necessary transfers, resulting in a net reduction in appropriations of $55,200, are outlined below.

(United States dollars)

	Initial appropriation	*Retained appropriation*	*Change*
Adjustment to the level of honorariums			
Section 8. Legal affairs			
International Law Commission	238 000	2 700	(235 300)
United Nations Administrative Tribunal	49 900	200	(49 700)
Section 9. Economic and social affairs			
Committee on the Elimination of Discrimination against Women	158 600	71 100	(87 500)
Section 14. International drug control			
International Narcotics Control Board	86 000	43 100	(42 900)
Section 22. Human rights			
Human Rights Committee	112 000	56 100	(55 900)
Committee on the Rights of the Child	112 000	56 100	(55 900)
	756 500	**229 300**	**(527 200)**
Restoration of Internet services			
Section 27D. Office of Central Support Services			
Technicians for network and Help Desk functions, line costs, maintenance costs for routers, remote access and web servers			472 000
Total net adjustment			**(55 200)**

President of the Economic and Social Council

Section 1
Overall policy-making, direction and coordination

24. The Economic and Social Council, in its decision 2002/219 of 30 April 2002, decided to authorize the President of the Council to hold consultations with concerned United Nations agencies, funds and programmes in Rome, Paris, Vienna and Geneva, in order to enhance collaboration and coordination among those entities in the Council. The related travel and subsistence costs are estimated at $13,000 and have been absorbed utilizing savings resulting from the Committee for Programme and Coordination limiting itself to a single session in 2002. Consequently, no additional appropriation is requested in respect of this decision in the present report.

Follow-up to the International Year of Older Persons: Second World Assembly on Ageing

Section 26
Public information

25. The General Assembly, in its resolution 56/228 of 24 December 2001, invited the Department of Public Information to continue, in cooperation with the Department of Economic and Social Affairs and the host country, the information campaign for the Second World Assembly. The related programme budget implications were estimated to amount to $195,000 (A/C.5/56/15). At its meeting on 24 December 2001, the Fifth Committee decided to inform the General Assembly that the additional appropriation as may be required under section 26 would be considered by the General Assembly in the context of the first budget performance report for the biennium 2002-2003. Expenditures for public information activities for the Second World Assembly on Ageing, held in April 2002, amounted to $149,500. No additional appropriation is requested at this stage. Any additional appropriation that may be required in connection with these activities would be reported in the context of the second performance report, at which time it will be possible to determine more definitively whether the additional expenditure of $149,500 has been absorbed within the overall appropriation of section 26, Public information ($144.7 million).

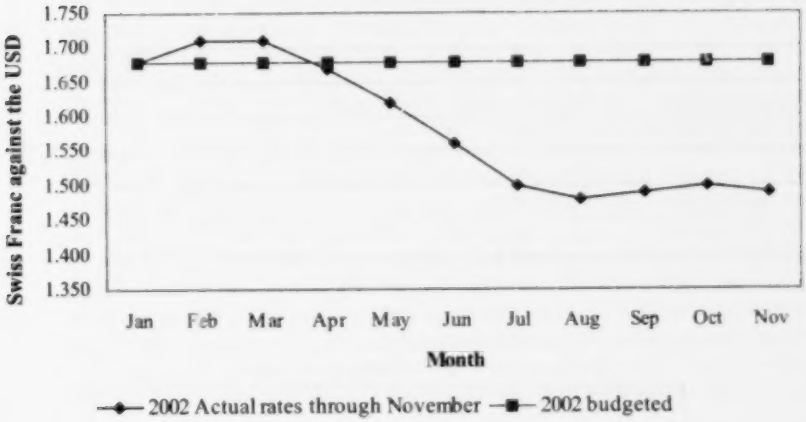
C. Changes in exchange rates (increase: $33,764,200)

26. The basis for recosting can be either the average operational rates of exchange experienced thus far in the biennium (the averaging method) or the operational rates in effect at the time of recosting (the latest rate). It will be recalled that, in its report for the biennium ending 31 December 1995, the Board of Auditors had recommended that budgetary assumptions relating to operational exchange rates be based on an averaging method instead of the latest available exchange rates. The Secretary-General had indicated that it would not be advisable to predetermine whether the averaging method or the latest month should be used for budget forecasting and recosting and that such a decision should be taken at the time of each recosting. This was reported to the General Assembly and agreed to by the Advisory Committee on Administrative and Budgetary Questions (A/51/7/Add.6, para. 5), which indicated that the Secretary-General should use such rates as would

allow for the lowest estimates. In the present performance report, the realized exchange rate from January to November 2002 has been applied to 2002 and the November rate applied to December 2002. For 2003, either the average operational rates of exchange experienced thus far in the biennium (the averaging method) or the November rate (the latest rate) has been applied for each duty station, so as to allow for the lowest estimate for each duty station in respect of requirements for the related currency. Adjustments resulting from actual experience in 2003 would be implemented in the second performance report.

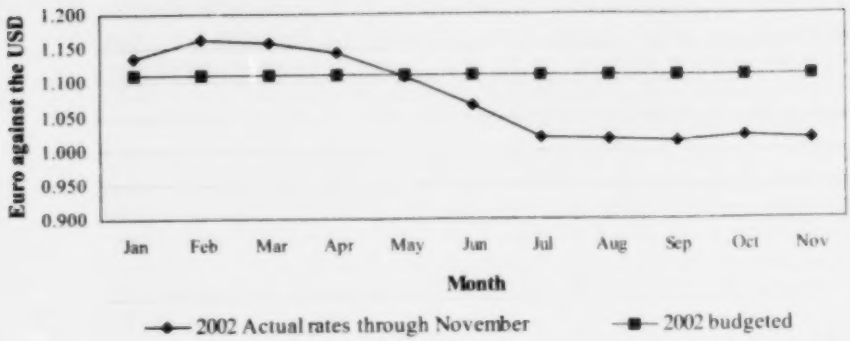
27. The increase of $33.8 million reflects the general weakening in a number of operational rates experienced during the year to date, as compared to those foreseen in the initial appropriations. The average rate experienced for 2002 based on January to November actuals in respect of the Swiss franc was 1.58 to the dollar, compared with an assumption of 1.68 used in the initial appropriations. For 2003, the average rate of 1.58 experienced for 2002 has been used in the performance report. This change has resulted in an increased requirement of $32.4 million. The graph below reflects the experience of the Swiss franc during the period from January to November 2002.

Performance of the Swiss Franc against the United States dollar



28. With respect to the euro, the realized 2002 average is 1.07, compared with an assumption of 1.11 used in the initial appropriation. For 2003, the realized 2002 average of 1.07 has been used in the performance report, which has resulted in an increase of $3.3 million. The graph below reflects the experience of the euro during the period from January to November 2002.

Performance of the euro against the United States dollar



29. In addition to the adjustments required for the Swiss franc and the euro, increased requirements of $2 million relate to the Thai baht, while a net reduction of approximately $3.9 million applies to other currencies. Details regarding operational rates at all duty stations are included in schedules 1 and 3. These schedules provide the actual operational rates through November 2002, the rate used in the initial appropriation and the rate used in this report. As stated in paragraph 26, adjustments resulting from actual experience in 2003 will be reflected in the second performance report. Should the November 2002 exchange rates prevail through the end of 2003, an additional exchange rate adjustment of approximately $18 million would be required in second performance report.

D. Inflation (increase: $28,028,700)

30. Schedules 1, 2 and 4 contain revised inflation rates that affect all objects of expenditure. These are based on promulgated post adjustment multipliers and the latest available information on consumer price indices and actual versus budgeted cost-of-living adjustments. While the rates applicable to non-post objects of expenditure reflect a number of revisions downward, post adjustment multipliers show significant increases for a number of locations.

31. With regard to non-post objects of expenditure, the revised rates are generally slightly lower than had been initially foreseen. The most significant exception relates to increased inflationary costs with respect to after-service health insurance and general insurance. These costs are reflected under section 30, Special expenses. Medical insurance premiums reflect a 15 per cent increase on average than foreseen at a time of preparation of the proposed programme budget for the biennium 2002-2003, given the prevailing market conditions in the insurance industry. It is estimated that additional requirements stemming from the medical insurance premium increases will amount to $3.4 million for the biennium 2002-2003. Under general insurance, following the events of 11 September 2001, the evolving insurance market conditions have led to a significant increase in premiums in connection with air travel under the terms of the contract with a provider. It is

estimated that additional requirements for general insurance amounts to $0.7 million for the biennium 2002-2003. A net decrease in requirements of $1 million relates to all non-post objects of expenditure.

32. Revised post adjustment multipliers used in the present report reflect significant upward inflationary movement at several duty stations, as a result of a series of place-to-place cost-of-living surveys carried out or implemented subsequent to the approval of the programme budget for the biennium 2002-2003 in December 2001. The results of those surveys are detailed below:

(a) In November 2001, a cost-of-living survey carried out in Addis Ababa, resulted in a multiplier movement from 1.7 to 10, to be implemented effective 1 April 2002;

(b) In February 2002, cost-of-living surveys carried out resulted in multiplier movements for The Hague (0.8 to 12.7, effective June 2002), Beirut (28.1 to 32.1, effective May 2002) and for duty stations at Gaza, the United Nations Truce Supervision Organization (UNTSO) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) (2.8 to 20.4, effective June 2002);

(c) In April 2002, cost-of-living surveys carried out resulted in multiplier movements for Santiago (0 to 4.6, effective September 2002) and Bangkok (0 to 8.2, effective 1 August 2002);

(d) In June 2002, a cost-of-living survey carried out in Nairobi resulted in a multiplier movement from 3.8 to 8, effective 1 October 2002.

Post adjustment multipliers applicable to the Professional and higher categories for all duty stations are contained in schedule 2. The actual monthly multipliers shown in schedule 2 reflect the effect of the consolidation of 3.87 multiplier points effective 1 March 2002, as promulgated. As a result, rates reflected in schedule 2 for the period from March to December 2002 would need to be adjusted upward by 3.87 multiplier points to allow for a similar assessment of the actual variance between realized and initially budgeted multipliers. The recommendations of the International Civil Service Commission with regard to conditions of service of staff in the General Service and related categories in Geneva and Vienna have also been taken into account in the present report. As a result of these significant cost-of-living adjustments, related additional requirements for inflation amount to $29 million, including $4.9 million for New York, $4 million for Addis Ababa and $10 million for the duty stations in Gaza, UNTSO, and UNRWA.

33. The total additional appropriation arising from inflationary pressure across all objects of expenditure amounts to $28,028,700.

E. Adjustments to standard costs (increase: $4,416,500)

34. Adjustments to standard costs reflect the net effect of changes in salary standard costs, common staff costs, vacancy rates and staff assessment rates. Revisions to standard salary costs for 2002 are based on the actual averages experienced thus far in the biennium, by category and level, at each duty station. Projections for 2003 are based on the trends experienced in 2002. A net decrease of

$5.2 million reflects average net base salary costs that are lower than had been projected in the initial appropriation.

35. Common staff costs are budgeted as a percentage of net salaries for each duty station. Expenditures under common staff costs relate to allowances and benefits, appointments, transfers and separation of staff. These relate to actual payroll experience for all duty stations during the period from 2000 to 2001. Recommendations of the International Civil Service Commission with regard to the mobility and hardship scheme, separation payments, hazard pay and education grant have been absorbed within these overall adjustments, consistent with established practice in this regard. A net increase of $9.6 million relating to adjustments to the rates of common staff costs with respect to all duty stations is anticipated.

36. The adjustments to standards indicated above include staff assessment changes resulting in a decrease in expenditures of $158,800, offset by an equivalent decrease in related income from staff assessment incorporated within the changes shown under income section 1.

F. Vacancy (increase: $20,411,600)

37. In setting the vacancy rates applicable to the budget for the biennium 2002-2003, the General Assembly, in paragraph 56 of resolution 56/253 of 24 December 2001, noted that, should realized vacancy rates be lower than those budgeted, additional resources would be provided, if required, in the first or second performance report, so as to preclude the need for any constraint in recruitment of staff. Accordingly, the required adjustments to standards for vacancy rates are outlined below and result in increased requirements of $20.4 million, of which $3.4 million is related to staff assessment.

38. In its resolution 56/253, the General Assembly decided that an average vacancy rate of 6.5 per cent for staff in the Professional and higher categories should be used as a basis for the calculation of the budget for the biennium 2002-2003. The application of this rate to continuing posts, together with the 50 per cent vacancy rate applied to new posts, results in an effective budgeted rate of 7.9 per cent for the Professional and higher categories. While the average vacancy rate for the biennium can only be known at the end of the biennium, the 2002 realized level of vacancies experienced is 7.4 per cent for staff in the Professional and higher categories. The experience of previous bienniums shows that a further reduction in vacancy rates realized is to be expected over the course of the second year of the biennium. Conservatively, adjustments to standards at this stage reflect an amount of $4.9 million for the realized 2002 vacancy rate and an amount of $5.2 million for a similar adjustment for 2003, assuming that the same level of vacancies would be realized in 2003 as in 2002 and that there would be no further reduction in the realized level of vacancies during the remainder of the biennium.

39. With regard to the General Service and related categories, in the same resolution, the General Assembly decided that an average vacancy rate of 3.1 per cent should be used as a basis for the calculation of the budget for the biennium 2002-2003. The application of this rate to continuing posts, together with the 35 per cent vacancy rate applied to new posts, resulted in an effective budgeted rate of 4.2 per cent for the General Service and related categories. To date, the 2002 realized level of vacancies experienced thus far is 2.7 per cent for staff in the General

Service and related categories. Adjustments to standards for the General Service and related categories reflect an amount of $5 million for the realized 2002 vacancy rate, and an amount of $5.3 million for a similar adjustment for 2003, assuming that the same level of vacancies would be realized in 2003 as in 2002 and that there would be no further reduction in the realized level of vacancies during the remainder of the biennium.

40. The adjustments to vacancies indicated above include staff assessment changes resulting in an increase in expenditures of $3.4 million, offset by an equivalent increase in related income from staff assessment incorporated within the changes shown under income section 1.

G. International Civil Service Commission recommendation on net remuneration (increase: $26,676,800)

41. The financial implications of decisions and recommendations of the International Civil Service Commission, set out in its twenty-eighth annual report,[2] have been taken into consideration in the adjustment to standards in the present report in accordance with established practice. These financial implications were outlined in the statement submitted by the Secretary-General (A/57/450) detailing the administrative and financial implications of the decisions and recommendations of the International Civil Service Commission on the common system, and in particular their implications for the programme budget of the United Nations for the biennium 2002-2003. The recommendations relating to conditions of employment for General Service and related categories, the mobility and hardship scheme, separation payments, hazard pay and education grant are dealt with separately under previous paragraphs on inflation and adjustment to standards.

42. With regard to the conditions of service of staff in the Professional and higher categories, the Commission decided to recommend to the General Assembly, for implementation on 1 March 2003, a differentiated real increase of the base/floor salary scale to address the low level of margin at the upper grades of the scale and to restore the overall level of the margin to the desirable midpoint. In the Secretary-General's statement (A/57/450), the financial implications of this recommendation for the United Nations regular budget for a 10-month period (1 March to 31 December 2003), was estimated at $19,779,100, net of staff assessment of $4,627,800. The present report revises the calculation of that amount to reflect the application of the differential real increase, taking into account revisions to standards, including exchange rates and vacancy rates, utilized in the first performance report. The financial implications of the implementation of the Commission's recommendation effective 1 March 2003 amount to $21,984,100. The increased requirements for staff assessment under section 32, which amount to $4,692,700, would be matched by an equivalent increase in the amount of income under income section 1, Income from staff assessment.

[2] *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 30* (A/57/30).

H. Other issues

43. Included hereunder are specific issues in response to resolutions of the General Assembly or matters raised in accordance with procedures previously approved by the Assembly.

Progress report on the implementation of measures to strengthen the security and safety of United Nations premises

44. By its resolution 56/286, the General Assembly decided to appropriate an amount of $57,785,300 for the biennium 2002-2003 for the implementation of the measures contained in the report of the Secretary-General on strengthening the security and safety of United Nations premises (A/56/848). The Assembly requested the Secretary-General to report on the progress in the implementation of those measures at the main part of its fifty-seventh session. The status of work undertaken by the Secretariat in implementation of the security measures over the period from July to October 2002 is reported in annex VI.

Impact of the reductions in the budgeted level of specific operational requirements for the biennium 2002-2003

45. By its resolution 56/253, the General Assembly decided to reduce the resources proposed by the Secretary-General for allocation for specific operational requirements for the biennium 2002-2003, as follows:

(a) Travel of staff, by 2.8 million dollars;

(b) Contractual services, by 6.4 million dollars;

(c) General operating expenses, by 19.7 million dollars;

(d) Supplies and materials, by 1.4 million dollars;

(e) Furniture and equipment, by 7.2 million dollars;

(f) Consultants and experts, by 2 million dollars;

(g) Information technology, by 10 million dollars.

These reductions have been implemented in 2002 through a combination of measures, including attempts to achieve further efficiency gains, as well as the deferral, curtailment and degradation or reduction of service levels and activities where necessary. Given the object of expenditures involved, services in respect of night and weekend meetings, facilities management and information technology have been significantly affected.

46. The introduction of these measures has allowed the implementation of the reductions thus far in 2002. However, serious difficulties continue to be encountered with regard to provisions for existing contractual obligations, such as rent, utilities and information technology infrastructure. In such cases, obligations of a fixed nature must be met from reduced provisions.

47. In paragraph 13 of its report on financial reports and audited financial statements and reports of the Board of Auditors for the period ended 31 December 2001 (A/57/439), the Advisory Committee on Administrative and Budgetary Questions took note of information provided on the effective reduction in resources available to the Board of Auditors as a result of across-the-board reductions made

by the General Assembly to the regular budget for the biennium 2002-2003. It was pointed out that, in some audits, the Board, of necessity, had recourse to specialized outside expertise. The Advisory Committee indicated its intention to examine the adequacy of the audit fee in the context of the proposed programme budget for the biennium 2004-2005. With regard to the current biennium, an additional amount of $316,300 is required to offset the reductions implied by General Assembly resolution 56/253. Restoration of this provision will ensure the maintenance of audit scope of coverage and quality during 2002-2003 at previously budgeted levels. This amount will be funded from savings realized under section 1 in 2002, as a result of a reduced number of meetings of the Committee for Programme and Coordination and also from reductions in the United Nations share of costs for the United Nations Joint Staff Pension Fund.

48. Similarly, the across-the-board reductions have resulted in the under-provision of resources to cover the United Nations share of the general operating expenses of the facilities provided in the Peace Palace at The Hague for the International Court of Justice. An amount of $160,000 is required to meet the United Nations contribution to the Carnegie Foundation for the use of the Peace Palace in 2002-2003. At present, it has not been possible to offset these rental obligations against other budgetary provisions available for the International Court of Justice. Efforts will continue in 2003 and their success or otherwise will be reported in the context of the second performance report.

Economic and Social Commission for Asia and the Pacific

49. At its fifty-eighth session, held in May 2002, the Economic and Social Commission for Asia and the Pacific adopted resolution 58/1, by which it endorsed the restructuring of the conference structure of the Commission and the proposed revisions to programme 15, Economic and social development in Asia and the Pacific, of the medium-term plan for the period 2002-2005. At the same time, the Commission endorsed the realignment of the programme of work for the biennium 2002-2003, in order to bring into effect the new programme structure set out in the revisions to the medium-term plan.

50. Pursuant to the recommendations of the Commission, as subsequently endorsed by the Economic and Social Council, the Secretariat has revised the programme of work of the Commission for the biennium 2002-2003 and has redistributed the resources approved for that biennium by the General Assembly among the new subprogrammes. The redistribution of resources is within the level of resources approved by the General Assembly at its fifty-sixth session under section 17, Economic and social development in Asia and the Pacific, of the programme budget for the biennium 2002-2003.

Economic and Social Commission for Western Asia

51. In March 2002, at its fourth special session, the Economic and Social Commission for Western Asia (ESCWA) was called upon to apprise its member States of follow-up action to the recommendation of the twenty-first session of the Commission in May 2001, which stipulated that ESCWA secretariat activities should focus on a limited number of priorities and that attention should be focused on Arab regional integration and the study of mechanisms that would activate this integration; and on reviewing the existing organizational structure of the secretariat

in order to serve Arab integration (see E/2001/41). That recommendation was subsequently noted by the Economic and Social Council. The consequential programmatic restructuring of the secretariat and the related budgetary and organizational restructuring have since been effected. The redistribution of resources was within the level of resources approved by the General Assembly at its fifty-sixth session under section 20, Economic and social development in Western Asia, of the programme budget for the biennium 2002-2003.

I. Summary

52. On the basis of the elements described in the present report, the revised level of resources requested for appropriation for the biennium 2002-2003 would be $2,914,407,800.

III. Income sections

Income section 1
Income from staff assessment

53. With the changes described under the expenditure sections above and under income section 3 below, an increase in income of $17,367,800 would result.

Income section 2
General income

54. The decrease of $5.33 million in net income for income section 2 is the net effect of a decrease of $5.56 million in the income projections for the biennium 2002-2003, based on the experience in 2002, partially offset by an increase of $231,200, owing to recosting. The decrease in income projections is owing mainly to a significant drop in bank interest rates as a result of market conditions ($2.9 million) and the decrease in income from contributions of non-Member States ($2.3 million) as a result of the admission of Switzerland as a Member State of the United Nations.

Income section 3
Services to the public

55. The decrease of $5 million in income for income section 3 is explained in annex IV.

Summary

56. On the basis of the elements described above, the revised income estimates for the biennium 2002-2003 would be $417,027,800.

Income estimates for the biennium 2002-2003 (Thousands of United States dollars)	*Resolutions 56/251 B, 56/274 B and 56/286*	*Projected changes*	*Revised estimates 2002-2003*
Income section 1	358 278.5	17 367.8	375 646.3
Income section 2	47 283.2	(5 330.0)	41 953.2
Income section 3	4 474.4	(5 046.1)	(571.7)
Total	**410 036.1**	**6 991.7**	**417 027.8**

IV. Action requested of the General Assembly

57. **The General Assembly is requested to revise the appropriation as requested in paragraph 52 above and the related income estimates as reflected in paragraph 56 above.**

Schedule 1

Rates of exchange and inflation included in the initial appropriation and in the present report by main duty station

	Rates of exchange 2002-2003			*Rates of inflation applicable non-post objects of expenditure*			
		Performance report		*Initial appropriation*		*Performance report*	
Main duty station (currency)	*Initial appropriation 2002-2003*	*2002*[a]	*2003*[b]	*2002*	*2003*	*2002*	*2003*
Vienna (euro)	1.11	1.073	1.073	1.6	1.6	1.6	1.6
Santiago (Chilean pesos)	700.00	687.083	735.000	3.8	3.8	2.1	2.9
Addis Ababa (Ethiopian birr)	8.54	8.527	8.570	2.6	2.6	-	-
UNMOGIP (rupees)	47.75	48.308	48.308	8.4	7.9	5.4	5.9
Beirut (Lebanese pounds)	1 501.00	1 502.333	1 509.000	1.5	1.5	4.0	1.5
UNTSO (new shekels)	4.28	4.671	4.720	2.3	2.0	5.7	2.7
Gaza (new shekels)	4.28	4.671	4.720	2.3	2.0	5.7	2.7
UNRWA (new shekels)	4.28	4.671	4.720	2.3	2.0	5.7	2.7
Nairobi (Kenyan shillings)	79.00	78.458	78.458	5.8	5.8	2.4	2.0
Mexico City (Mexican pesos)	9.29	9.429	9.900	5.7	4.6	5.0	4.0
The Hague (euro)	1.11	1.073	1.073	2.2	2.2	3.4	2.3
Bangkok (Thai bahts)	44.62	42.911	43.170	2.7	1.8	0.5	1.9
Port-of-Spain (Trinidad and Tobago dollars)	6.12	6.098	6.098	3.1	3.1	5.5	3.1
New York (United States dollars)	-	-	-	2.1	2.1	1.5	2.2
Geneva (Swiss francs)	1.68	1.575	1.575	1.1	1.1	0.5	0.8
United Nations information centres[c]	-	-	-	2.1	2.1	1.5	2.2

[a] Average based on actual rates until November 2002 (see schedule 3), with November rate used for December.

[b] November 2002 rate of exchange used, except for Vienna, the United Nations Military Observer Group in India and Pakistan, Nairobi, The Hague, Port-of-Spain and Geneva, for which the average 2002 rates was used.

[c] Combined effect of inflation and exchange rate changes.

Schedule 2

Post adjustment multipliers for 2002 applicable to staff in the Professional and higher categories

	Initial appropriation		*First performance report*		*Monthly actuals for 2002 Base 100 = multiplier 0 (zero)*											
Duty station	*2002*	*2003*	*2002*[a]	*2003*	*Jan.*	*Feb.*	*March*[b]	*April*	*May*	*June*	*July*	*Aug.*	*Sep.*	*Oct.*	*Nov.*	*Dec.*
Vienna	115.2	116.5	115.1	116.1	112.7	110.5	106.8	107.9	110.9	114.8	119.4	119.7	119.8	119.1	119.6	119.6
Santiago	100.0	100.0	101.5	105.4	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	104.6	104.6	104.2	104.2
Addis Ababa	104.8	106.5	109.2	113.3	103.5	103.5	101.7	110.0	110.0	110.0	111.3	111.3	111.3	111.3	113.0	113.0
UNMOGIP	110.1	114.7	105.3	106.8	109.1	109.1	104.5	104.5	104.5	104.5	104.1	104.3	104.3	104.3	105.0	105.0
Beirut	133.1	133.1	132.1	135.7	133.1	133.1	128.1	128.1	132.1	132.1	132.5	132.5	132.5	132.5	134.5	134.5
UNTSO	109.5	110.4	114.8	125.5	109.5	109.5	102.8	102.8	102.8	120.4	120.4	120.4	120.4	120.4	124.2	124.2
Gaza	109.5	110.4	114.8	125.5	109.5	109.5	102.8	102.8	102.8	120.4	120.4	120.4	120.4	120.4	124.2	124.2
UNRWA	109.5	110.4	114.8	125.5	109.5	109.5	102.8	102.8	102.8	120.4	120.4	120.4	120.4	120.4	124.2	124.2
Nairobi	107.8	107.8	105.4	109.5	107.8	107.8	104.3	104.3	104.3	104.3	103.8	103.8	103.8	103.8	108.5	108.5
Mexico City	117.0	120.3	113.5	113.4	114.9	118.6	114.2	114.2	114.2	114.2	111.9	111.9	111.9	111.9	112.0	112.0
The Hague	104.4	105.8	110.0	117.3	102.5	100.6	100.0	100.0	100.8	112.7	117.1	117.4	117.5	116.8	117.3	117.3
Bangkok	100.0	100.0	103.3	108.4	100.0	100.0	100.0	100.0	100.0	100.0	100.0	108.2	108.2	108.2	107.4	107.4
Port-of-Spain	110.9	113.5	112.8	119.0	114.6	114.6	110.8	110.8	110.8	110.8	111.4	111.4	111.4	111.4	117.5	117.5
New York	147.0	150.4	142.8	146.7	146.4	146.4	141.0	141.0	141.0	141.0	141.0	141.0	141.0	141.0	146.3	146.3
Geneva	128.3	130.7	130.4	135.8	126.6	124.7	120.0	122.6	126.0	130.3	135.0	136.6	135.8	135.0	135.8	135.8
United Nations information centres	115.1	115.4	113.7	114.0	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7

[a] Average of post adjustment multiplier promulgated monthly by ICSC from January to November 2002.

[b] Consolidation of 3.87 points effective 1 March 2002 as promulgated by ICSC.

Schedule 3
Rates of exchange for 2002

	Initial appro-priation	*Performance report*		*Variance as a percentage*		*Monthly operational rates of exchange (actuals through November)*											
Duty station	*2002-2003*	*2002*[a]	*2003*[b]	*2002*	*2003*	*Jan.*	*Feb.*	*March*	*April*	*May*	*June*	*July*	*Aug.*	*Sept.*	*Oct.*	*Nov.*	*Dec.*
Vienna	1.11	1.073	1.073	3.45	3.45	1.136	1.162	1.158	1.143	1.108	1.065	1.019	1.016	1.015	1.022	1.017	1.017
Santiago	700.00	687.083	735.000	1.88	(4.76)	660.000	660.000	665.000	655.000	650.000	650.000	700.000	700.000	700.000	735.000	735.000	735.000
Addis Ababa	8.54	8.527	8.570	0.15	(0.35)	8.558	8.558	8.558	8.558	8.558	8.558	8.350	8.350	8.570	8.570	8.570	8.570
UNMOGIP	47.75	48.308	48.308	(1.16)	(1.16)	47.600	47.950	48.300	48.460	48.550	48.750	48.680	48.500	48.500	48.200	48.100	48.100
Beirut	1 501.00	1 502.333	1 509.000	(0.09)	(0.53)	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 509.000	1 509.000
UNTSO	4.28	4.671	4.720	(8.37)	(9.32)	4.190	4.550	4.680	4.600	4.840	4.820	4.930	4.610	4.600	4.790	4.720	4.720
Gaza	4.28	4.671	4.720	(8.37)	(9.32)	4.190	4.550	4.680	4.600	4.840	4.820	4.930	4.610	4.600	4.790	4.720	4.720
UNRWA	4.28	4.671	4.720	(8.37)	(9.32)	4.190	4.550	4.680	4.600	4.840	4.820	4.930	4.610	4.600	4.790	4.720	4.720
Nairobi	79.00	78.458	78.458	0.69	0.69	79.000	79.000	78.000	78.000	78.000	78.000	79.000	79.000	79.000	78.000	78.250	78.250
Mexico	9.29	9.429	9.900	(1.47)	(6.16)	9.000	9.000	9.000	9.000	9.050	9.400	9.600	9.600	9.700	10.000	9.900	9.900
The Hague	1.11	1.073	1.073	3.45	3.45	1.136	1.162	1.158	1.143	1.108	1.065	1.019	1.016	1.015	1.022	1.017	1.017
Bangkok	44.62	42.911	43.170	3.98	3.36	43.790	44.040	43.620	43.190	43.140	42.730	41.860	40.860	42.190	43.170	43.170	43.170
Port-of-Spain	6.12	6.098	6.098	0.36	0.36	6.090	6.130	6.130	6.130	6.210	6.100	6.120	6.000	5.990	6.090	6.090	6.090
Geneva	1.68	1.575	1.575	6.67	6.67	1.680	1.710	1.710	1.670	1.620	1.560	1.500	1.480	1.490	1.500	1.490	1.490

[a] Average of United Nations rates of exchange until November 2002.

[b] November 2002 rate of exchange used, except for Vienna, UNMOGIP, Nairobi, The Hague, Port-of-Spain and Geneva, for which the average 2002 rates was used.

Schedule 4

General Service salaries: changes in local currency terms

(percentages)

Duty station		*Rates of increase in initial appropriation 2002-2003 (previous year=100)*	*Adjusted rates in performance report*	*Increases (previous scale=100)*	
Vienna	2002	1.60	2.91	01-Apr	2.98
	2003	1.60	1.60[a]		
Santiago	2002	3.80	2.40		
	2003	3.80	2.90[a]		
Addis Ababa	2002	2.60	4.75	01-Mar	3.30
	2003	2.60	-[a]		
UNMOGIP	2002	8.40	7.77		
	2003	7.90	5.90[a]		
Beirut	2002	1.50	4.25	01-Aug	10.20
	2003	1.50	1.50[a]		
UNTSO	2002	2.30	-		
	2003	2.00	2.70[a]		
Nairobi	2002	5.80	4.30		
	2003	5.80	2.00[a]		
Mexico	2002	5.70	2.96	01-Jul	4.60
	2003	4.60	4.00[a]		
The Hague	2002	2.20	4.51	01-May	4.33
	2003	2.20	2.30[a]		
Bangkok	2002	2.70	4.90	01-Oct	19.60
	2003	1.80	1.90[a]		
Port-of-Spain	2002	3.10	5.32	01-Apr	5.90
	2003	3.10	3.10[a]		
New York	2002	2.10	2.53	01-May	2.50
	2003	2.10	2.20[a]		
Geneva	2002	1.10	2.48	01-Jan	1.93
	2003	1.10	0.80[a]		

[a] Projections.

Annex I

Projected estimates for the biennium 2002-2003

A. Projected changes by section, subsection and main determining factor

(Thousands of United States dollars)

			Projected changes								
Expenditure sections	*2002-2003 appropriation*[a]	*Unforeseen and extraordinary expenses*	*Decisions of policy-making organs*[b]	*Rates of exchange*	*Inflation*	*Adjustment to standards*	*Vacancy*	*ICSC recommendation on net remuneration*	*Total changes*	*Revised estimates*
1. Overall policy-making, direction and coordination	49 365.8	-	-	279.6	331.1	90.3	293.2	663.8	1 658.0	51 023.8
2. General Assembly affairs and conference services	449 775.3	-	10 563.0	9 471.6	2 171.6	(1 137.9)	4 200.3	4 956.2	30 224.8	480 000.1
3. Political affairs	165 579.4	12 470.7	69 028.1	(718.6)	1 356.4	73.8	511.3	994.9	83 716.6	249 296.0
4. Disarmament	15 432.3	-	-	147.3	60.3	10.2	105.3	231.9	555.0	15 987.3
5. Peacekeeping operations	73 680.7	-	-	(2 940.2)	3 918.2	2 982.6	768.9	426.9	5 156.4	78 757.1
6. Peaceful uses of outer space	4 044.8	-	-	116.3	18.2	85.1	32.0	72.8	324.4	4 369.2
7. International Court of Justice	23 837.3	393.3	-	519.7	696.5	748.4	132.6	151.8	2 642.3	26 479.6
8. Legal affairs	35 265.8	-	(285.0)	101.1	155.0	113.2	297.2	509.7	891.2	36 157.0
9. Economic and social affairs	121 043.4	-	(87.5)	-	623.7	(129.8)	1 069.6	1 997.9	3 473.9	124 517.3
9A. Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States	3 055.6	-	-	-	10.3	(4.5)	22.5	57.8	86.1	3 141.7

Expenditure sections	2002-2003 appropriation[a]	Projected changes: Unforeseen and extraordinary expenses	Decisions of policy-making organs[b]	Rates of exchange	Inflation	Adjustment to standards	Vacancy	ICSC recommendation on net remuneration	Total changes	Revised estimates
10. Africa: New Agenda for Development	5 932.7	-	-	(1.1)	68.7	(13.2)	41.6	88.8	184.8	6 117.5
11A. Trade and development	84 858.4	-	-	5 049.9	358.4	5.6	886.5	1 256.2	7 556.6	92 415.0
11B. International Trade Centre UNCTAD/WTO	18 022.6	-	-	1 044.8	82.6	41.8	202.0	189.9	1 561.1	19 583.7
12. Environment	7 660.2	-	-	103.2	98.1	370.3	67.7	180.9	820.2	8 480.4
13. Human settlements	11 541.8	-	-	67.4	152.1	875.7	101.3	243.1	1 439.6	12 981.4
14. Crime prevention and criminal justice	5 733.8	-	-	166.1	26.5	113.8	43.6	105.7	455.7	6 189.5
15. International drug control	15 289.1	-	(42.9)	421.7	64.2	415.5	122.1	203.2	1 183.8	16 472.9
16. Economic and social development in Africa	80 845.7	-	-	(71.5)	3 335.6	(1 104.5)	645.6	1 234.3	4 039.5	84 885.2
17. Economic and social development in Asia and the Pacific	53 396.2	-	-	1 826.0	2 098.0	883.4	589.5	767.6	6 164.5	59 560.7
18. Economic development in Europe	40 605.9	-	-	2 513.4	200.5	(30.3)	436.5	640.9	3 761.0	44 366.9
19. Economic and social development in Latin America and the Caribbean	69 399.4	-	-	(1 000.6)	1 971.3	2 177.1	678.1	763.9	4 589.8	73 989.2
20. Economic and social development in Western Asia	50 140.2	-	-	(151.6)	1 812.5	(2 447.3)	436.5	624.6	274.7	50 414.9

Expenditure sections	2002-2003 appropriation[a]	Projected changes: Unforeseen and extraordinary expenses	Decisions of policy-making organs[b]	Rates of exchange	Inflation	Adjustment to standards	Vacancy	ICSC recommendation on net remuneration	Total changes	Revised estimates
21. Regular programme of technical cooperation	42 749.6	-	-	509.0	(387.1)	-	-	-	121.9	42 871.5
22. Human rights	44 727.1	-	455.0	2 115.3	109.3	(209.9)	306.5	478.8	3 255.0	47 982.1
23. Protection of and assistance to refugees	42 890.4	-	-	3 386.3	(330.9)	(17.0)	6.5	34.2	3 079.1	45 969.5
24. Palestine refugees	24 828.4	-	-	(2 036.7)	4 898.3	83.5	241.3	770.3	3 956.7	28 785.1
25. Humanitarian assistance	20 011.6	-	-	293.9	57.8	1.5	117.6	285.7	756.5	20 768.1
26. Public information	144 719.2	-	-	364.7	943.6	(127.0)	1 252.8	1 333.7	3 767.8	148 487.0
27. Management and central support services	440 883.6	-	1 052.2	6 565.6	736.2	(400.7)	3 143.6	2 139.2	13 236.1	454.119.7
A. Office of the Under-Secretary-General for Management	12 030.9	-	-	-	68.8	24.1	125.0	257.4	475.3	12 506.2
B. Office of Programme Planning, Budget and Accounts	23 387.1	-	-	-	122.7	(3.7)	240.7	314.0	673.7	24 060.8
C. Office of Human Resources Management	50 019.0	-	-	-	88.5	12.5	342.3	461.8	905.1	50 924.1
D. Office of Central Support Services	230 937.2	-	1 052.2	41.9	1.8	302.9	1 311.3	667.3	3 377.4	234 314.6
E. Administration, Geneva	87 729.8	-	-	5 655.0	476.4	(2 134.6)	845.0	252.8	5 094.6	92 824.4
F. Administration, Vienna	24 459.3	-	-	790.6	161.4	489.5	153.8	93.8	1 689.1	26 148.4
G. Administration, Nairobi	12 320.3	-	-	78.1	(183.4)	908.6	125.5	92.1	1 020.9	13 341.2

Expenditure sections	2002-2003 appropriation[a]	Projected changes: Unforeseen and extraordinary expenses	Decisions of policy-making organs[b]	Rates of exchange	Inflation	Adjustment to standards	Vacancy	ICSC recommendation on net remuneration	Total changes	Revised estimates
28. Internal oversight	20 296.9	-	-	127.1	138.1	126.8	185.8	364.3	942.1	21 239.0
29. Jointly financed administrative activities	8 436.6	-	-	221.3	17.3	(8.6)	47.5	113.0	390.5	8 827.1
30. Special expenses	70 987.5	8.3	-	764.0	4 395.4	1 007.1	16.6	102.1	6 293.5	77 281.0
31. Capital expenditures	87 254.5	-	-	1 824.8	(738.2)	-	-	-	1 086.6	88 341.1
32. Staff assessment	353 991.0	-	8 287.0	2 684.4	(1 420.9)	(158.5)	3 409.5	4 692.7	17 494.2	371 485.2
33. Development account	13 065.0	-	-	-	-	-	-	-	-	13 065.0
Total, expenditure	**2 699 267.8**	**12 872.3**	**88 969.9**	**33 764.2**	**28 028.7**	**4 416.5**	**20 411.6**	**26 676.8**	**215 140.0**	**2 914 407.8**

[a] General Assembly resolutions 56/254 A, 56/274 and 56/286.
[b] Including special political missions.

B. Projected changes by duty station and main determining factor

(Thousands of United States dollars)

Duty station	2002-2003 appropriation	Projected changes								Revised estimates
		Unforeseen and extraordinary expenses	Decisions of policy-making organs	Rates of exchange	Inflation	Adjustment to standards	Vacancy	ICSC recommendation on net remuneration	Toil changes	
New York	1 256 378.2	12 479.0	80 506.1	-	7 747.5	290.9	7 904.6	11 103.0	120 031.1	1 376 409.3
Geneva	521 379.9	-	219.7	32 436.3	1 476.7	(4 160.9)	4 299.8	4 647.1	38 918.7	560 298.6
Vienna	88 704.7	-	(42.9)	2 783.2	486.9	1 937.4	637.6	818.1	6 620.3	95 325.0
Santiago	58 660.4	-	-	(652.5)	1 631.6	1 946.1	514.4	613.6	4 053.2	62 713.6
Addis Ababa	91 673.9	-	-	(79.5)	3 082.4	(1 107.2)	643.1	1 236.2	3 775.0	95 448.9
Beirut	54 100.0	-	-	(162.3)	1 895.8	(2 447.3)	436.5	624.6	347.3	54 447.3
Nairobi	41 505.0	-	-	251.1	2.2	2 987.6	334.7	576.8	4 152.4	45 657.4
Bangkok	60 642.2	-	-	2 030.9	1 977.2	883.4	589.5	767.6	6 248.6	66 890.8
Other duty stations	172 232.5	393.3	-	(5 527.4)	11 149.3	4 245.0	1 641.9	1 597.1	13 499.2	185 731.7
Staff assessment	353 991.0	-	8 287.0	2 684.4	(1 420.9)	(158.5)	3 409.5	4 692.7	17 494.2	371 485.2
Total	**2 699 267.8**	**12 872.3**	**88 969.9**	**33 764.2**	**28 028.7**	**4 416.5**	**20 411.6**	**26 676.8**	**215 140.0**	**2 914 407.8**

Annex II

Distribution of estimated additional requirements or decreases by section and main object of expenditure for the biennium 2002-2003

(Thousands of United States dollars)

Expenditure sections	*Post and other personnel costs*	*Travel*	*Printing*	*Other contractual services*	*General operating expenses*	*Supplies, materials, furniture and equipment*	*Other*	*Total increase (decrease)*
1. Overall policy-making, direction and coordination	1 756.4	(48.7)	-	301.9	(5.1)	1.3	(347.8)	1 658.0
2. General Assembly affairs and conference services	27 588.5	(3.4)	(0.8)	323.2	46.9	130.2	2 140.2	30 224.8
3. Political affairs	54 741.0	2 391.8	(0.3)	2 944.4	8 734.7	2 310.8	12 594.2	83 716.6
4. Disarmament	540.1	(3.6)	(0.2)	-	(0.8)	(0.1)	19.6	555.0
5. Peacekeeping operations	5 543.6	(19.1)	-	(0.2)	(255.6)	(110.1)	(2.2)	5 156.4
6. Peaceful uses of outer space	308.1	(0.6)	-	1.7	1.4	1.3	12.5	324.4
7. International Court of Justice	2 497.5	(0.4)	-	37.6	76.4	31.2	-	2 642.3
8. Legal affairs	1 194.2	(14.0)	(0.9)	(287.8)	(0.5)	2.3	(2.1)	891.2
9. Economic and social affairs	3 615.4	(30.9)	(3.5)	(89.3)	(8.4)	(5.7)	(3.7)	3 473.9
9A. Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States	88.8	(0.7)	(0.1)	(0.2)	(0.9)	(0.8)	-	86.1
10. Africa: New Agenda for Development	187.6	(0.9)	-	(1.6)	(0.3)	-	-	184.8
11A. Trade and development	7 202.9	(8.9)	25.2	-	126.3	100.1	111.0	7 556.6
11B. International Trade Centre UNCTAD/WTO	-	-	-	-	-	-	1 561.1	1 561.1
12. Environment	826.4	(1.0)	-	-	(4.4)	(0.8)	-	820.2
13. Human settlements	1 464.5	(1.4)	(2.8)	-	(15.9)	(4.8)	-	1 439.6
14. Crime prevention and criminal justice	448.5	(1.4)	3.6	1.7	1.8	1.5	-	455.7
15. International drug control	1 195.2	(8.2)	12.4	(37.7)	11.6	10.5	-	1 183.8
16. Economic and social development in Africa	4 466.6	(9.7)	(13.0)	(57.7)	(184.9)	(159.6)	(2.2)	4 039.5
17. Economic and social development in Asia and the Pacific	6 099.6	(6.6)	3.5	4.9	42.5	19.8	0.8	6 164.5
18. Economic development in Europe	3 650.2	(3.0)	8.2	8.1	6.9	21.5	69.1	3 761.0

	Expenditure sections	*Post and other personnel costs*	*Travel*	*Printing*	*Other contractual services*	*General operating expenses*	*Supplies, materials, furniture and equipment*	*Other*	*Total increase (decrease)*
19.	Economic and social development in Latin America and the Caribbean	4 799.4	(8.3)	(4.2)	(20.1)	(132.6)	(44.4)	-	4 589.8
20.	Economic and social development in Western Asia	157.1	(2.7)	0.9	17.7	64.5	28.2	9.0	274.7
21.	Regular programme of technical cooperation	-	-	-	-	-	-	121.9	121.9
22.	Human rights	3 266.2	(28.2)	9.8	(88.9)	63.0	26.0	7.1	3 255.0
23.	Protection of and assistance to refugees	69.6	-	-	-	-	-	3 009.5	3 079.1
24.	Palestine refugees	3 956.7	-	-	-	-	-	-	3 956.7
25.	Humanitarian assistance	705.7	(5.7)	-	9.8	10.3	3.6	32.8	756.5
26.	Public information	3 732.0	(7.4)	-	93.2	(34.0)	(14.2)	(1.8)	3 767.8
27.	Management and central support services	10 879.4	(7.5)	(0.9)	843.5	1 012.8	138.2	370.6	13 236.1
A.	Office of the Under-Secretary-General for Management	477.7	(0.3)	-	(0.7)	(1.0)	(0.4)	-	475.3
B.	Office of Programme Planning, Budget and Accounts	679.6	(0.1)	-	(3.5)	(1.8)	(0.5)	-	673.7
C.	Office of Human Resources Management	1 002.5	(3.1)	(0.4)	(86.2)	(3.4)	(4.3)	-	905.1
D.	Office of Central Support Services	2 839.5	(3.0)	(0.5)	760.6	(176.6)	(34.3)	(8.3)	3 377.4
E.	Administration, Geneva	3 543.8	(0.9)	-	169.7	1 058.7	165.8	157.5	5 094.6
F.	Administration, Vienna	1 201.0	-	-	12.9	220.2	33.6	221.4	1 689.1
G.	Administration, Nairobi	1 135.3	(0.1)	-	(9.3)	(83.3)	(21.7)	-	1 020.9
28.	Internal oversight	950.5	(4.0)	-	(0.3)	(1.9)	(2.2)	-	942.1
29.	Jointly financed administrative activities	-	-	-	-	-	-	390.5	390.5
30.	Special expenses	4 439.7	-	-	-	719.4	-	1 134.4	6 293.5
31.	Capital expenditures	-	-	-	-	-	-	1 086.6	1 086.6
32.	Staff assessment	17 494.2	-	-	-	-	-	-	17 494.2
	Total	**173 865.6**	**2 165.5**	**36.9**	**4 003.9**	**10 273.2**	**2 483.8**	**22 311.1**	**215 140.0**

Annex III

Total jointly financed activities and inter-organizational security measures by main determining factor for the biennium 2002-2003

(Thousands of United States dollars)

	2002-2003 appropriation (resolutions 56/254 A, 56/274 and 56/286)	*Projected changes*								*Revised estimates*
		Unforeseen and extraordinary	*Decisions of policy-making organs (including special political missions)*	*Rates of exchange*	*Inflation*	*Standards*	*Vacancy*	*ICSC recommend-ation on net remuneration*	*Total Changes*	
International Civil Service Commission	12 813.4	-	-	-	57.6	(9.5)	89.6	155.2	292.9	13 106.3
Inter-organizational security measures	55 179.7	58.6	-	-	(744.7)	7 807.9	69.8	421.8	7 613.4	62 793.1
High-level Committee on Management	1 373.7	-	-	77.7	4.2	0.6	12.3	42.7	137.5	1 511.2
Information and communication technology policy coordination activities	1 235.7	-	-	76.7	(2.7)	(2.7)	5.0	17.3	93.6	1 329.3
High-level Committee on Programmes	767.9	-	-	44.0	2.5	0.8	7.1	23.2	77.6	845.5
Joint Inspection Unit	7 546.1	-	-	439.8	33.2	(33.8)	68.0	214.4	721.6	8 267.7
Total, expenditure	**78 916.5**	**58.6**	**-**	**638.2**	**(649.9)**	**7 763.3**	**251.8**	**874.6**	**8 936.6**	**87 853.1**

Annex IV

Income section 3, Services to the public

1. In its initial appropriation for the current biennium at its fifty-sixth session, the General Assembly approved an estimate of net revenue of $4,474,400 under this section. The estimate was based on expected gross revenues of $51,348,800, offset by expenditures totalling $46,874,400.

2. Since then, several developments have had a profound effect on gross revenues and have forced a substantial review of the estimated results. The events of 11 September 2001 had implications for the Headquarters complex, which resulted in some curtailments of activities for several months following the attacks. Immediately after the attacks, the complex remained closed to visitors for approximately two months, resuming a semblance of normal operations in early 2002. In the light of these developments, the services to the public income estimates have been revised to reflect not only changes in inflation and exchange rates, but also changes in revenues and costs due to a reduced level of business activities.

3. As the New York City tourist industry recovers, the United Nations guided tour operation has seen a steady increase in attendance and revenue since the start of 2002. Nevertheless, the number of visitors paying for tours to the United Nations has declined to an estimated $294,000 in 2002, from an initial estimate of $403,570, and similar attendance is expected for 2003. The loss in revenue is partially offset by reductions in the levels of expenditures. In the first half of 2002, the United Nations Security and Safety Service eased some of the restrictions on the size of groups, which had been reduced to 10 visitors per guide following the closure after 11 September. Currently, the restriction to 10 visitors per guide only applies to tours on weekdays for the general public. The ceiling has been increased to 15 visitors per group on weekends, with school groups being allowed to have as many as 20 students per guide.

4. The United Nations Gift Shop has been directly and very adversely affected by the decrease in visitors to the complex. The effect of the closure of the complex to visitors at the end of 2001 is still having a negative impact on its level of revenue. As a consequence the contractor sought and was granted partial financial mitigation of its obligations. Further, in the negotiations for the extension of the contract, a revised royalty has been proposed, which is projected to achieve a net income to the Organization of $923,000 for the biennium. Negotiations are also under way with regard to the Newsstand operations and the projected income from that activity is now estimated to amount to $100,000 for the biennium.

5. The catering operations at Headquarters were also seriously impacted by the closure of the building to the public during 2001. This impact continued well into 2002 and, as a consequence, the contractor was given partial financial mitigation of the guaranteed minimum payment. Accordingly, the revenue projection for the biennium 2002-2003 has been revised downward to $300,000.

6. The impact of increased security was also felt in the Garage Administration at Headquarters. Gross revenue had been initially estimated at $2,270,100 for the biennium. Throughout 2002, however, there was a decrease in the sale of daily parking tickets, owing to the restrictions on single-occupancy vehicles entering the island of Manhattan during peak working hours. In addition, there was a decrease in

the issue of temporary parking permits, as well as lower utilization of nightly parking by delegates. The gross revenue for the biennium has thus been revised to approximately $2,093,000.

7. In addition to security-related effects, worldwide economic conditions affected other revenue-producing areas, chiefly in postal and publication activities. The initial estimate of gross revenue of the United Nations Postal Administration ($17,412,300) has been affected negatively by the continuing decline of the philatelic industry, which has been adversely affected by a generalized worldwide persistent economic downturn and the ageing and downsizing of the collector base. In addition, the introduction of euro-only stamps in 2002 has further reduced the European market, with the demise of the customer base for Austrian schillings stamps. This alone has reduced the gross revenue of the European operations by over $1.5 million. Furthermore, there has been a delay in the planned introduction of personalized stamps at Headquarters. It is expected that the introduction of personalized stamps during 2003, together with new cooperative arrangements with national postal administrations and other venues would increase the income derived by the New York office. In addition, during the first half of 2003, an auction of the archives of the United Nations Postal Administration will be held. The proceeds from the sale of these items are expected to amount to $3 million. Payments to post offices still presents a significant expenditure and the changeover to euros at the Vienna office has required that office to exchange Austrian schilling stamps for euro stamps at face value. Taking into account all these factors, the revenue projections for the United Nations Postal Administration amount to $14.9 million. Therefore, the expenditure levels required to attain the reduced level of revenue have also been revised downward. It is proposed that a number of vacant posts be frozen, pending the review of the outcome of various studies and reviews of the operations of the United Nations Postal Administration. In addition, expenditures on advertising will be curtailed. The resultant level of expenditure will total $16.2 million.

8. Gross revenue from the sale of publications is expected to continue to increase at a rate similar to that shown in the last two bienniums. However, predictions for a greater acceleration in this rate brought about by the expansion in sales of electronic products have proved to be over-optimistic when compared to prior estimates. While revenues have benefited from this type of product, there has been a partial offsetting drop in income from traditional printed materials, attributed to growing competition from increasingly available free reference information on the Internet and cuts in the published output of many programmes. As such, the initial gross revenue estimate of $19,085,300 is being revised downward to $16,869,700. The programme aims to counter these influences and to continue to increase its gross income at a similar rate through a combination of enhanced marketing and new product development. Such an approach in the Headquarters Bookshop has led to sales rebounding to pre-2001 levels, despite a significant drop in visitor traffic. Against this general background, expenditures have also been revised downward to enable the Sales Section to hold closely to its net income estimates for the biennium.

9. Therefore, the initial net revenue estimate for the entire section is revised to a net loss of $571,700, down $5,046,100 from the initial estimates of $4,474,400, as follows:

Income section 3
Estimates of gross and net revenue for 2002-2003

	Initial estimates	*Revised estimates*	*Increase (decrease)*
United Nations Postal Administration			
Gross revenue	17 412.3	14 991.4	(2 420.9)
Less expenditures	17 259.3	16 210.1	(1 049.2)
Net revenue	153.0	(1 218.7)	(1 371.7)
Publications			
Gross revenue	19 085.3	16 869.7	(2 215.6)
Less expenditures	15 869.9	14 341.7	(1 528.2)
Net revenue	3 215.4	2 528.0	(687.4)
Visitors			
Gross revenue	7 488.5	5 374.6	(2 113.9)
Less expenditures	9 218.8	8 562.3	(656.5)
Net revenue	(1 730.3)	(3 187.7)	(1 457.4)
Department of Economic and Social Affairs revenue services			
Gross revenue	972.9	1 285.0	312.1
Less expenditures	890.9	895.9	5.0
Net revenue	82.0	389.1	307.1
Gift items			
Gross revenue	1 845.9	923.0	(922.9)
Less expenditures	16.5	19.5	3.0
Net revenue	1 829.4	903.5	(925.9)
Newsstand			
Gross revenue	200.0	100.0	(100.0)
Less expenditures			
Net revenue	200.0	100.0	(100.0)
Garage			
Gross revenue	2 689.7	2 489.7	(199.9)
Less expenditures	1 661.3	1 605.0	(56.3)
Net revenue	1 028.4	884.7	(143.6)
Other commercial activities			
Gross revenue	630.5	864.9	234.4
Less expenditures	228.2	502.1	273.9
Net revenue	402.3	362.8	(39.5)
Revenue accounts			
Gross revenue			
Less expenditures	753.5	759.6	6.1
Net revenue			
Catering operations			
Gross revenue	1 023.7	398.4	(625.3)
Less expenditures	976.0	972.2	(3.8)
Net revenue	47.7	(573.8)	(621.5)
Total, gross revenue	**51 348.8**	**43 296.7**	**(8 052.1)**
Less total expenditures	**46 874.4**	**43 868.4**	**(3 006.0)**
Total net revenue	**4 474.4**	**(571.7)**	**(5 046.1)**

Annex V

Use of Department of General Assembly Affairs and Conference Management resources in the biennium 2002-2003

1. The above requirements for the Committee should be viewed in the context of the overall resources made available for the Department of General Assembly and Conference Management and the Office of Central Support Services for the biennium 2002-2003. The table below presents the estimated meetings-servicing workload for 2002, based on the actual workload for the period from January to September 2002 and on projections for the remaining three months. The experience of the first nine months of 2002 indicate a continuing increase in demand for conference services across the Organization, owing to a number of meetings already mandated by the General Assembly, the Security Council and the Economic and Social Council, as well as the current calendar of United Nations conferences and meetings. While the demand for additional services has been largely mitigated by the measures introduced by the Secretary-General to schedule meetings within normal working hours, it is estimated that there will be no overall reduction in the workload of the department, compared to the level projected in the budget proposals. The estimated workload based on the scope and composition of the mandated meetings is summarized below by main functional areas:

	Actual 2000-2001	*Originally estimated in budget proposals for 2002-2003*	*Actual for January-September period of 2002*	*Projected for October-December 2002*	*Total projected for 2002*	*2002 against estimates for 2002-2003*
Number of meetings with interpretation	14 237	14 640	5 306	1 929	7 235	49%
Number of meetings without interpretation	17 430	18 384	7 044	2 684	9 728	53%
Translation workload (thousands of words)	343 177	359 099	116 996	64 191	181 187	50%
Number of interpretation assignments	142 731	140 540	50 539	19 724	70 263	50%

2. Although it might appear that the additional workload for the Counter-Terrorism Committee in 2002 has been offset as a result of the measures introduced to control meetings outside normal working hours, it should be recalled that resources for the biennium 2000-2001 were inadequate to the extent of $36.8 million, and that the resource proposals made to help ameliorate this situation for 2002-2003 were reduced by $8 million. Expenditure for section 2, General Assembly affairs and conference services, amount to $174.6 million as at 30 September 2002. This represents 40 per cent of the biennial appropriation utilized in the period equivalent to 38.8 per cent of the biennium. This implies an overexpenditure at the end of the biennium of about $14 million, and this is before the main costs relating to the fifty-seventh and fifty-eighth sessions of the General Assembly have impacted the biennium. As 2002-2003 meetings and the translation and editing workload continue to exceed the 2000-2001 actual workload, it can be seen that financial provisions currently available are inadequate for the overall 2002-2003 workload, which increased, owing largely to Counter-Terrorism Committee requirements, added to previously estimated requirements related to other meetings.

Annex VI

Status of work in the implementation of measures to strengthen the security and safety of United Nations premises

1. The status of appropriations and expenditures relating to strengthening the security and safety of the United Nations premises on 31 October 2002 are summarized below:

Budget section/organizational units		*2002–2003 appropriation*	*Expenditure at 31 October 2002*
Section 16. Economic and social development in Africa		85 600	40 700
Section 17. Economic and social development in Asia and the Pacific		591 700	48 700
Section 19. Economic and social development in Latin America and the Caribbean		232 000	17 900
Section 20. Economic and social development in Western Asia		1 045 000	50 400
Section 27C. Office of Human Resources Management		458 600	144 400
Section 27D. Office of Central Support Services		9 144 200	1 115 700
Section 27E. Administration, Geneva		2 052 500	347 800
Section 27F. Administration, Vienna		370 600	328 000
Section 27G. Administration, Nairobi		327 200	188 800
Section 30. Special expenses		1 647 000	500 700
Section 31. Construction, alteration, improvement and major maintenance: special account total		41 830 900	6 587 300
Including:	Headquarters	26 128 000	2 441 200
	Geneva	14 595 200	4 100 000
	Nairobi	535 000	150 800
	Addis Ababa	325 000	1 100
	Santiago	148 000	65 200
	Bangkok	99 700	-
Grand total		**57 785 300**	**9 542 600**

2. The progress made in the implementation of the measures to strengthen the security and safety over the period of the past four months is detailed below. The information is presented by duty station.

A. United Nations Headquarters

3. The activities undertaken thus far are as follows:

Staff recruitment. Five security and safety officers and one medical nurse have been hired. The recruitment against the remaining new posts authorized for various

operational units of the Office of Central Support Services and the Office of Human Resources Management is in different stages of implementation.

Operational requirements. Consultancy services have been utilized for developing specific security-related plans on business recovery and continuation and emergency and disaster management. The plan developed by the consultant and the relating resource requirements are currently under review by the Emergency Task Force. A specialized training programme for security and safety officers has been developed and is under implementation. Work relating to irradiation of incoming mail and pouch and testing it for a possible presence of anthrax/biological substances is under way. Various specialized security equipment, supplies and materials authorized for the programme have been either procured, or are in an active stage of acquisition. Procurement has also been initiated by the Medical Services Division for a stock of specific emergency medications. The basic infrastructure projects identified for strengthening the security and safety of the premises in the context of the Capital Master Plan and which have been brought forward for implementation are either in a survey and/or an active design stage, or at a stage of the selection of a contractor.

B. United Nations Office at Geneva

4. The activities undertaken thus far are as follows:

Staff recruitment. All newly established posts are currently under recruitment. They are expected to be filled by the end of 2002.

Operational requirements. A consultant firm was contracted to provide the construction design and supervision of the implementation of the new security concept. The firm has already developed all the technical specifications for the construction and has presented the whole project, including the cost estimates, to the United Nations Office at Geneva for review. The project is currently under review in cooperation with the host country authorities. In addition, a lawyer specialized in land matters has been contracted to deal with the Swiss authorities on such outstanding matters. Construction is expected to start in the first quarter of 2003.

C. United Nations Office at Vienna

5. The activities undertaken thus far are as follows:

Staff recruitment. Recruitment against the authorized six new posts is in process. Two posts are expected to be filled by the end of 2002 and the remaining four posts are expected to be filled by the end of the first quarter of 2003.

Operational requirements. It is expected that the cost-sharing agreement on the fence construction costs among the organizations based at the Vienna International Centre will be finalized before the end of 2002. In the meantime, the United Nations Industrial Development Organization is preparing a project document for the fence construction. Tendering, evaluation of bids and finalization of a contract will be done by February 2003, and construction is expected to begin in the second quarter of 2003.

D. United Nations Office at Nairobi

6. The activities undertaken thus far are as follows:

Operational requirements. The security and safety equipment, vehicles and related supplies have been procured and are expected to be delivered either by December 2002 or, in the case of a firetruck, by the end of February 2003. Implementation of the security-related infrastructure projects has commenced. Installation of gates and barriers, a perimeter fence, lighting and alarm systems and closed-circuit TV and other control room equipment is expected to be completed by the end of 2002, while the installation of public address and fire safety systems and the equipping of the conference pre-registration area will be completed in early 2003.

E. Economic Commission for Africa

7. The activities undertaken thus far are as follows:

Operational requirements. The training programme for the security and safety staff has been developed. Two security officers have already participated in the firearms training organized at Headquarters. Procurement of the security-related equipment is in an active stage of implementation. The delivery of that equipment is expected in January 2003. The implementation of the security-related infrastructure projects (construction of a small building for the registration of conference participants, modification of the perimeter wall, installation of a wrought iron fence and a public address system) is currently in the design stage. The construction and/or installation work on these projects is expected to begin in the first half of 2003 and to be completed by the end of 2003.

F. Economic and Social Commission for Asia and the Pacific

8. The activities undertaken thus far are as follows:

Staff recruitment. Newly established security and safety officer posts have been advertised. They are expected to be filled by January 2003.

Operational requirements. The training programme for the security and safety staff has been developed. The related training will commence in 2003 upon the recruitment of the new security staff. Procurement of the security-related equipment, security vehicles, firearms, bulletproof vests and illuminated mirrors to screen vehicle undercarriages is in an active stage of implementation. The implementation of the security-related infrastructure projects (securing mail and pouch operations, closed-circuit TV monitoring and installation of infrared motion detectors) is currently at the design phase.

G. Economic Commission for Latin America and the Caribbean

9. The activities undertaken thus far are as follows:

Staff recruitment. Newly established security and safety officer posts have been advertised. They are expected to be filled by January 2003.

Operational requirements. Senior security staff has attended training courses on technical systems for security in installations and on private and citizens' security. Acquisition of X-ray equipment and other security-related equipment is expected to be completed by the end of 2002. The internal review of the security-related infrastructure projects, including upgrading of the lighting, alarm, public address and video surveillance systems has been concluded and the procurement process initiated. It is estimated that these projects will be completed in the first quarter of 2003. The construction of new premises for the Security and Safety Unit within the compound is being considered jointly with the project for the construction of additional office facilities in Santiago, which is currently under review by the General Assembly.

H. Economic and Social Commission for Western Asia

10. The activities undertaken thus far are as follows:

Staff recruitment. Seven security and safety officers have already been recruited. The remaining 14 officers will be recruited by January 2003.

Operational requirements. Security improvements to the premises (installation of fence, blast-proof glass lamination, perimeter lighting, video surveillance in the garage and on the roof and upgrading of a public address system) are in the design stage. These projects are expected to be completed by the end of 2002.

Annex VII

Expenditures as at 30 September 2002

United Nations regular budget for the biennium 2002-2003

(United States dollars)

Appropriation		2 699 267 800
Unliquidated obligations	90 869 934	
Disbursements	990 956 939	
Total expenditures		**1 081 826 873**
Uncommitted balance		**1 617 440 927**